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EEB/TPP/MTAA/ABT FOR JANET SPECK EEB/TPP/MTAA/ABT FOR GARY CLEMENTS EEB/TPP/MTAA/ABT FOR DON MORTON

SIPDIS

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SUBJECT: GHANA FOOD SECURITY AND AGRICULTURAL DEVELOPMENT

PRIORITIES

REF: STATE 58996

- 11. (SBU) SUMMARY: While meeting with representatives of the Ministry of Food and Agriculture to deliver reftel demarche on food security, Econ Chief and Econoff were told that agricultural development remained the number one priority of the Mills Administration. The GOG supports elevating food security as a G8 deliverable and is receptive to USG plans for greater country ownership of the issue. The ministry is drafting a white paper for development partners on its agricultural development priorities. The GOG is emphasizing the promotion of non-traditional (i.e. non-cocoa, gold or timber) exports, although its actions have not yet matched government rhetoric. END SUMMARY
- 12. (U) Econ Chief and Econoff delivered reftel demarche to Mr. Ram Ebo Bhavnani, Ministry of Food and Agriculture (MOFA) Director of Policy Planning, Monitoring and Evaluation on June 18. Dr. Sam Dapaah, USAID's embedded advisor to the Minister, also attended. Mr. Bhavnani was receptive to the USG policy of elevating food security at the L'Aquila G8 Summit and of reftel five principals for global action on food security and agricultural development. Our interlocutors noted that agricultural development was the number one priority for the Mills Government due to the number of Ghanaians that can be positively impacted by improvements to agricultural productivity and greater export opportunities.

COUNTRY OWNERSHIP

13. (U) Dr. Dapaah explained that MOFA was developing a plan for improved food security as the first step in undertaking agricultural development. The ministry is drafting a white paper for development partners that would outline key agricultural products, nutrition goals, livelihood creation, and strategies to reduce post-harvest losses, all with a focus on value-chain processes (NOTE: USAID

emphasizes value-chains in its export-enhancement projects in Ghana. END NOTE). Dapaah emphasized that the GOG first needed to explicitly define what it means by agricultural development to domestic and international stakeholders. He also stressed that much of the work would have to be done at the district level in order to be effective. Dapaah also told us he wants development partners to use country systems and joint sectoral reviews, and that MOFA is using a portion of its MDBS (multi-donor budget support) towards agricultural development.

GOING WITH THE GRAIN

14. (U) According to Dapaah, MOFA's next concern is the development of the non-cocoa sector. He says that cocoa accounts for only 13

percent of Ghana's agricultural GDP--surprisingly low given cocoa's importance as a source of hard currency. This leaves nearly 87 percent of the agricultural economy on which to focus. Dapaah wants to increase the quality of non-traditional crops, such as maize and other grains, to the level of Ghana's cocoa crop, which is seen as having much higher levels of quality control through strict government monitoring and strong incentives for producers. He also discussed ways to reduce risk for non-traditional crop farmers as a way to stimulate growth in those sectors, as well as closing Ghana's large agricultural productivity gap before any gains can be achieved in agricultural development.

COMMENT

15. (SBU) Although Ghana is in no position to provide assistance to other countries to reduce their food shortages, Ghana appears to have the political will to support the USG message on food security. The Mills Administration strongly supports local capacity building, and with agriculture as its nominal top priority, the GOG is particularly receptive to the idea of country ownership of agricultural development. The GOG's challenge is that non-traditional exports have been pushed by previous governments with little to show, and early indications are that Ghana will need to expend more energy on mitigating its fiscal crisis and energy sector issues than improving the welfare and productivity of the 60 percent of its workforce employed in farming. Swift and concrete GOG action in implementing its agricultural policy is the only way for the GOG to move beyond mere good intentions in agriculture.

TEITELBAUM